

Talbot County Economic Development Commission (EDC) Meeting
The Easton Airport, 29137 Newnam Road, Easton, Maryland
December 3, 2015 Meeting Minutes

Members Present: Chair, Geoff Oxnam, Vice Chair, Haim Loran; Ted Bautz; Peter Dunbar; Scott Beatty, Jean Weisman; Paul Makosky; Gerald O'Mara, Ron Engle and Jacqueline Wilson

Ex Officio Members Present: Shannon Dill, Mike Henry, Cassandra Vanhooser, Terenda Thomas and Al Silverstein

Attendees: Laura Heikes

Members Excused: Walter Chase

Guest Speaker: The director introduced Laura Ambler, Executive Vice President of East Coast Flight Services, an executive air charter company and defense contractor located at the Easton Airport. Established in 1990, East Coast Flight is now the largest Part 135 Certified air charter company in Maryland. They have had as many as 14 jets and 25 pilots at one time. East Coast is one of only 75 carriers in the world that are DOD certified. East Coast Flight received their first contract in 2001. The 2009 recession impacted them with a 70% loss of their business base. After the federal sequester, they did not see any contracts from the government for roughly 3 years. Last year, the government changed how the business model of DOD contracting operated and of the four contracts released, East Coast has received two. The first contract was regular flights to Guantanamo; the second award was for daily flights from West Palm Beach to Andrews Island, Bahamas. They have hired 4 new employees. Ms. Ambler acknowledged that obtaining financial support from investors and banks, in order to go after these contacts, has been challenging. They own 4 of their fleet and offer a Bonanza, a Beech Barren, two Falcon 10's, a Jet Stream 31 and a Falcon 50, which is a nice range from 4-passenger to 15-passenger aircraft. The range of aircraft is very good for their clients' varying needs, as well as for mentoring young pilots. Training pilots from a single engine plane to a Falcon 50 jet is a huge incentive, encouraging their pilots to stay with the company. Asked about the business climate, Ms Ambler had no major recommendations for changes. The EDC arranged for a follow up visit to review resource availability.

Call to Order: Chairman Oxnam called the meeting to order, with a quorum, at 8:20 a.m.

Agenda and Minutes: The December agenda was approved unanimously. The October EDC Meeting lacked a quorum and the October minutes, approved unanimously, pending one correction per Mr. Makosky. The November meeting minutes, approved unanimously, pending one correction per Mr. Makosky.

Correspondence: A letter to Talbot County Council President Pack, from the EDC, was sent to support the Sustainable Tourism and Reinvestment District (STAR) Legislation, Bill 1323. The legislation pertains to the redevelopment of sites that are zoned for tourism and/or related uses such as restaurants, marinas and cultural centers that are not currently in compliance. The legislation supports an opportunity to bring property into compliance for redevelopment, which will raise the property value and provide for additional employment opportunities.

Old Business: Mr. Makosky made a recommendation on page 7-7 in the draft of the 2015 Comprehensive Plan. Mr. Makosky's requested addition is, *"Aggressively pursue target industries and potential services including communicating present capabilities and value to the community of these industries, to the county residents at large and to opinion groups that speak for the community."* Mr. Makosky indicated his input came out of the Communications Committee meeting. Chairman Oxnam indicated he is attending the Comprehensive Plan Focus Group Roundtable meeting on December 7th. If there are any comments from the EDC, Mr. Oxnam offered to take those comments to the meeting. Mr. Bautz observed back in March the EDC recommended some text changes that expanded targeted industries in keeping with the County and Towns Strategic Plan (light industry, environmental technology, renewable energy companies, agriculture production and general aviation). Chairman Oxnam requested a bulleted list of items from the EDC to take to the meeting on Monday evening. The director suggested a letter be drafted to Council, as a written record, regarding additional comments from the EDC. A discussion ensued regarding recommendations, language and the Strategic Plan. Chairman Oxnam indicated he would pursue infrastructure, particularly fiber-optic infrastructure and broadband as a priority. The EDC unanimously approved Chairman Oxnam to present the EDC's recommendations to council at the December 7th meeting.

The director reported a Working Waterfront grant was submitted to the Maryland Department of Natural Resources by the Talbot County Office of Planning and Zoning to request funds for the development of a master planning effort in Tilghman and Bellevue to retain waterfront activities. The proposal was approved and \$60,000 has been awarded.

Events included: Waterfowl Festival Networking Breakfast, held on Friday, November 13th at the Chesapeake Waterfowl corporate tent with over 80 businesses and community representatives in attendance; the Regional Job Fair with 69 businesses attending to interface with over 250 job applicants; and, the county Rotary Clubs' Career Path Initiative Fair at the high school on November 17th with 12 industry sectors represented to introduce 60 students about career options. Anirban Basu, Sage Policy Group, confirmed a scarcity in the market place for qualified workers at the Talbot County Chamber of Commerce Economic Summit, held October 13th in Easton. Mr. Silverstein observed this year there were more job seekers that are professional at the Regional Job Fair. A discussion ensued regarding how many different organizations are focusing on working with students and job seekers to prepare them for employment.

New Business: The director attended the Economic Outlook Conference at Towson University on November 17th and received an option for Dr. Daraius Irani to review economic indicators that will affect our local economy over the next year. Dr. Irani will be visiting with the EDC at their February meeting. The director reported she attended a preliminary meeting with the County Manager and staff to discuss the FY 17 Economic Development Budget and marketing plan. There may be an opportunity to explore the healthcare and biohealth industry sectors, recommended in the Strategic Plan but have never fully executed.

Communications Committee: In Mr. Jones' absence, Mr. Makosky reported the committee's main concerns are communicating to the public and targeting the areas that are sensitive to criticism by interest groups of the county and getting ahead of them before misperceptions occur. It is important that everyone in the county understand what economic development is, which is providing services that retain and attract businesses as well as encourage people to stay employed in the county. The next Communications meeting is January 14 at 3:00 p.m. at the Talbot County Government Offices, 215 Bay Street.

Business Environment Committee (BEC) Report: Ted Bautz, Chair reported the next BEC meeting will be January 26 at 9:30 a.m. at the Talbot County Government Offices, 215 Bay Street, Conference Room 1. The county has had a vacancy in the Office of Permits and Inspections and a new director may be announced and in position before the January meeting.

Chairman's Report: Chairman Oxnam reported he chaired a conference with the American Public Power Association. Over 360 people attended the conference from utility companies. One of the tracks included the role that utilities play in economic development and how they can support these efforts. Many presentations by expert economic developers and site planners outlined different strategies for development depending on what kinds of businesses the region wants to attract. Mr. Makosky suggested Mr. Oxnam give a presentation to the EDC regarding the information he learned at the conference. Mr. Oxnam attended Eastern Shore Land Conservancy's Renewable Energy Conference. Renewable energy technology is an economic development opportunity to diversify businesses energy portfolios and for employment expansion. A discussion of Broadband expansion efforts continues with a small group of stakeholders, organized by Talbot County, to better understand our assets and opportunities.

Town & Member Reports:

Peter Dunbar, Town of Oxford: reported Oxford has retained Jakubiak & Associates, Town and City Planning, to conduct an evaluation of Oxford's commercial viability and to look at the historic district's strategic commercial development. Hopefully Oxford will receive a plan for the town in the spring.

Laura Heikes, Talbot Bank: reported Talbot Bank has the resources to offer assistance for business development.

Cassandra Vanhooser, Office of Tourism: reported they are getting ready for the holiday events coming up; followed by planning for the spring and summer of 2016. All the tourism numbers are strong this year for Talbot County with an increase in revenues.

Shannon Dill, Agriculture and Natural Resource Extension Educator: reported the corn and soybean harvests are almost complete. The drying mills were providing an extra discount on their prices due to the demand, as the beans were too wet. The UME will be offering grain-marketing programs. They have revamped a marketing program out of Minnesota to provide training and education. UM has a new dean, Craig Beyrouthy, and he will be at the Elks Club in Easton on December 18th from 3:00 – 5:00 p.m.

Jacqueline Wilson, Small Business Community: reported she chaired the Festival of Trees event this year for Hospice with a record fund raising effort. She expressed concerns shared by many that there are too many vacant buildings downtown. The director recommended arranging a dialogue with the property owners to determine if there are any opportunities to support business development or marketing to new tenants.

Gerald O'Mara, Agriculture: reported on GMO crops.

Al Silverstein, Chamber of Commerce: reported he had discussions with County Manager, Andy Hollis, regarding getting information out to the public on different issues. Mr. Silverstein announced he was very pleased to learn that the new Public Information Officer is Cassandra Vanhooser, also serving as the Director of Tourism. The Town of Easton will have the Tree Lighting on Saturday, 6:00 p.m.; the Parade begins at 6:30 p.m. Major Willey has spoken with the individual who has bought a lot of real estate in the downtown area to ascertain his intention for business development options going forward. The new Smokehouse restaurant in Trappe, formally Mitchums, was bought by the Pascal Family Group and will be opening soon.

Ron Engle, Town of Easton: reported he was asked by the Easton Economic Development Corporation to work with the county to develop the Rails to Trails further, as a tourism hub. While Mr. Engle was visiting Florida, Tampa Bay's county administrator announced the 25th anniversary of their 47-mile trail and stated the trail was the best thing the county had done financially. Mr. Engle is working with members of County Council, Ms. Vanhooser, Eastern Shore Land Conservancy, and is meeting with Mr. Hollis next week. He is following legislation regarding federal funding and he will keep us updated on the status.

Terenda Thomas, Department of Labor Licensing & Registration (Workforce): reported several of the workforce development areas are participating in the Jobs Driven National Emergency Grant (JDNEG) Program. The grant focuses on 5 different industries: healthcare, information technology, transportation & logistics, construction and manufacturing.

http://doleta.gov/layoff/pdf/funding_distribution/MarylandJDNEGSummary.pdf. The DLLR Business Service Team has been working hard to get businesses to participate. The DLLR office met with the Maryland Manufacturing Extension Partnership (MD MEP) to discuss establishing a manufacturing boot camp to ready individuals who would be able to go into these on-the-job-training opportunities. There are jobs out there and this program helps businesses with significant savings in terms of salaries.

Paul Makosky, Member at Large: No report.

Jean Weisman, Town of St. Michaels: reported tourism is their economic driver and it was a very good summer. The town's accommodation tax was up over 9% for July through September. So far, they do not have any businesses closing this year. There may be another restaurant opening at the former Key Lime Café location. St. Michaels' Comprehensive Plan was adopted. One of the zoning map amendments supports the Inn at Perry Cabin so they can move forward with their project as they received their growth allocation last month. Part of the State Highway's plan for Route 33 is to continue the sidewalks out of town to Peaneck Road; they asked the county if they wanted those sidewalks to be trail-width to continue with the nature trail. There are no construction dollars for

that project yet. Ms. Weisman indicated she would put Mr. Engle in touch with the State Highway's project manager to discuss Easton's Trail project. The commissioners have given permission to hire an engineering consultant for the design of relocating the town's utility poles. There is enabling legislation at the state level for municipalities to require utility companies to underground utility poles in historic districts if the request is for safety reasons. The Public Safety Commission assists in the assessments; the power companies would be required to pay what it would cost to overhead them, and the town would pay the difference.

Scott Beatty, Large Business: reported he continues to see some modest improvement in the county's economy; not necessarily, the service levels of the government. He continues to receive complaints on the same topics.

Ted Bautz, Commercial Real Estate: reported he attended the groundbreaking ceremony at Talbot Commerce Park. Three firms have already announced expansion plans: Avon-Dixon will locate there to expand their staff; Teddy Bear Fresh is ready to make another investment and Aqua Pools will be expanding. Mr. Bautz received from the retailers that Small Business Saturday was the *best* they have had.

Haim Loran, Vice Chairman: reported there is one lab from New Jersey that is interested in moving to Talbot County. They are conducting soil tests and awaiting DOD approval. They want to open a second lab here as they are already doing business in the area. The DOD approval should come through in December or January and the lab wants to visit the area in January.

Mike Henry, Easton Airport: reported he received the FAA's Air Traffic Control Tower Operation Report for FY15 and we are up 19.3% for FY15 with 74,343 operations. The good news is the control towers are funded until March.

Director's Report: The OED has developed a new ad campaign with input from the County Public Information Officer based on the Annual Report materials completed in July 2015. The "Our People Make It Work" campaign will be placed in the Communications Journal publication for the Upper Eastern Shore, which has a link to site selectors. A logo for the office has been created as well. A copy of the ad and logo were passed around for members to review. Wildlife International is invoicing for the first of their 5-year grant and they are moving forward with their development and expansion. Konsyl has completed their expansion and has solidified their agreement with Wal-Mart. Aphena Pharma has completed their expansion and annexation to the Town of Easton. The county's employment/unemployment and workforce rates are all up over last year in September. Our present unemployment is at 4.7%. The labor force is 19,367 and the employment base is 18,456 workers. The OED continues to monitor several redevelopment projects. The medical marijuana project for the Town of Easton is pending the award of a state license. Orion Safety Products has finished their closure with 54 people laid off as of November 30. The OED received news from the Maryland Department of Commerce that Deborah Bowden will serve as the new Mid Shore Regional business representative, replacing Mindie Burgoyne. Ms. Bowden will be invited to attend our EDC meetings. The director attended the Mid Atlantic Federal Lab Consortium, "Innovation through Collaboration," featuring many tech start-up companies. The TEDCO Entrepreneur Expo reported 700 people in attendance to discuss their technology advancements. The MEDA Winter Conference will be held January 14 in Annapolis; public and private sector leaders will share their thoughts on economic development-related legislation that will be considered by the Maryland General Assembly during the 2016 session. The Corn Club Dinner will be January 27 at the Easton VFW. The director announced she was married on November 28th with name change to Tilghman and new contact information to come in January

Meeting adjourned at 10:00 a.m.

Upcoming Economic Development Commission Meetings:

January 7th Annual Meeting, Talbot County Government Offices, 215 Bay Street, Easton
February 4th at the Allied Health and Athletic Center, Chesapeake College, Wye Mills
March 3rd Talbot County Government Offices, 215 Bay Street, Easton
April 7th Talbot County Government Offices, 215 Bay Street, Easton
May 5th Talbot County Government Offices, 215 Bay Street, Easton
June 2nd Talbot County Government Offices, 215 Bay Street, Easton
July 7th NO MEETING